

Appropriations Committee

February 28, 2023

Public Hearing on H.B. 6659 An Act Concerning the State Budget for the Biennium Ending June 30, 2025, and Making Appropriations Therefor.

Good morning, Senator Osten, Representative Walker, Senator Berthel, Representative Nuccio and members of the Appropriations Committee.

I am John D'Eramo the President and CEO of MCCA. MCCA established in 1972 is a provider of behavioral healthcare services in Connecticut. Our mission is to provide HELP and instill HOPE for individuals, families and organizations working to overcome and prevent addictions.

MCCA provides all levels of substance use and co-occurring treatment across the continuum of care:

- Residential and Ambulatory Detoxification
- Intensive Residential Rehabilitation
- Long-term Residential Rehabilitation
- Intensive Outpatient Treatment
- Outpatient Group and Individual Counseling
- Pre-Trial Intervention Programs for DWI and DUI offenders
- Medication Evaluation and Treatment including Medication Assisted Treatment
- Temporary Housing for homeless persons awaiting admission to formal treatment programs
- Transitional Housing
- Case management services for homeless and unentitled persons

Thank you for the opportunity to testify on H.B. 6659, the Governor's Budget. I am here to request that you increase funding for community nonprofits during the biennium by 9% in FY24, the first year, and 7% in FY25, the second year, and to index future increases to inflation. This funding is crucial to honoring your long-term plan to increase funding for community nonprofits because it makes up for the high inflation nonprofits have experienced over the last two years.

The increases the legislature provided in the last biennium were deeply appreciated by those who depend on the vital services that nonprofits provide in every city and town in Connecticut but is just the start of a long-term effort to make up for lost funding. But these advances could be lost if increases do not continue, given the magnitude of inflation on top of the nonprofit funding deficit.

Last year's increases were helpful and allowed us to provide staff with a cost-of-living adjustment during these times of high inflation. With the increased inflation we have seen the need to raise salaries when trying to recruit staff during the most challenging recruitment and retention period that I have seen in my 32 years of working in behavioral health.

The increased operational costs that we have seen over the past two years fall across all aspects of our business. Whether it's staffing an outpatient program, buying food for the

clients in our 24/7 residential programs or paying the electric bill to keep the lights on we continue to struggle month to month.

Compounding these challenges is a severe shortage of staff to serve people with mental health and substance abuse needs. Nonprofits have been losing clinical staff to telehealth companies, school districts, hospitals, and private practice all because what the state pays for services doesn't allow us to pay those staff competitively. We're also losing staff to the State, which is running a well-funded PR campaign to hire healthcare staff.

This workforce shortage has resulted in delays for admission into our programs leaving clients with high-risk behaviors vulnerable without the supports they need.

As we emerge from the pandemic, the needs of the community are growing rapidly. Demand for our services has increased dramatically. The opioid crisis is still raging, with record numbers of fatal overdoses the last two years. These needs are not going away and continue to increase month after month, year after year. Community Non-Profits need the support of the Appropriations Committee, so that we can take that support and return it to the communities we work in.

Thank you for the opportunity to provide my perspective on the budget. Please support increasing funding for community nonprofits by 9% in FY24 and 7% in FY25, and to index future increases to inflation.